

# State of South Dakota

SEVENTY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 1998

343B0315

## HOUSE EDUCATION COMMITTEE

### ENGROSSED NO. **HB1134** - 2/11/98

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsors.**

Introduced by: Representative Cutler and Senator Everist

1 FOR AN ACT ENTITLED, An Act to require a school district to levy the maximum special  
2 education tax levy to qualify for state aid to special education.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 13-37-35 be amended to read as follows:

5 13-37-35. Terms used in §§ 13-37-35 to 13-37-47, inclusive, mean:

- 6 (1) "Average daily membership," the average number of kindergarten through twelfth  
7 grade pupils enrolled in all schools operated by the school district during the previous  
8 regular school year minus the average number of pupils for whom the district receives  
9 tuition and plus the average number of pupils for whom the district pays tuition;
- 10 (2) "Index factor," is the annual percentage change in the consumer price index for urban  
11 wage earners and clerical workers as computed by the Bureau of Labor Statistics of  
12 the United States Department of Labor for the year before the year immediately  
13 preceding the year of adjustment or three percent, whichever is less;
- 14 (3) "Local effort," is the amount of taxes payable each year, using the maximum levy for  
15 the special education fund of a school district ~~of one dollar and forty cents per~~

~~thousand dollars of taxable valuation. The levy shall be based on valuations including valuations pursuant to §§ 13-13-10.2 and 13-13-20.4 such that the median level of assessment represents 85% of market value as determined by the Department of Revenue. For the period January 1, 1997, through June 30, 1997, local effort shall be one-half of the amount of taxes payable in calendar year 1997, using the maximum levy for the special education fund of a school district of one dollar and forty cents per thousand dollars of taxable valuation. The levy shall be based on valuations such that the median level of assessment represents 85% of market value as determined by the Department of Revenue pursuant to § 13-37-16;~~

(4) "Allocation for a student with a mild disability," for the period January 1, 1997, through June 30, 1997, is \$807. For school fiscal year beginning July 1, 1997, the allocation for a student with a mild disability shall be \$1,614 increased by the lesser of the index factor or three percent. For each school year thereafter, the allocation for a student with a mild disability shall be the previous fiscal year's allocation for such child increased by the lesser of the index factor or three percent;

(5) "Allocation for a student with a severe disability," for the period January 1, 1997, through June 30, 1997, is \$9,682. For school fiscal year beginning July 1, 1997, the allocation for a child with a severe disability shall be \$19,364 increased by the lesser of the index factor or three percent. For each school year thereafter, the allocation for a child with a severe disability shall be the previous fiscal year's allocation for such child increased by the lesser of the index factor or three percent;

(6) "Local need," an amount to be determined as follows:

(a) For a school district with an average daily membership of less than 13,000:

(i) Multiply the average daily membership times 0.1025;

- 1                   (ii)    Multiply the result of (i) times the allocation for a student with a mild
- 2                                disability;
- 3                   (iii)   Multiply the average daily membership times 0.015;
- 4                   (iv)    Multiply the result of (iii) times the allocation for a student with a severe
- 5                                disability;
- 6                   (v)    Add together the result of (ii) and the result of (iv);
- 7       (b)   For a school district with an average daily membership greater than 13,000:
- 8                   (i)    Multiply the average daily membership times 0.1025;
- 9                   (ii)   Multiply the result of (i) times the allocation for a student with a mild
- 10                               disability;
- 11                   (iii)   Subtract 13,000 from the average daily membership, the difference of
- 12                               which is multiplied times 0.0000034, the result of which is added to
- 13                               0.015;
- 14                   (iv)   Multiply the average daily membership times the lesser of the result of
- 15                               (iii) or 0.03;
- 16                   (v)    Multiply the result of (iv) times the allocation for a student with a severe
- 17                               disability;
- 18                   (vi)   Add together the result of (ii) and the result of (v);
- 19       (7)   "Student with mild disability," is a student whose performance level is not sufficient
- 20               to demonstrate success in the regular education environment without the provision
- 21               of special education, who meets eligibility criteria under Part B, IDEA, and who has
- 22               been identified as a student in need of special education or special education and
- 23               related services according to criteria set forth in rules promulgated pursuant to
- 24               § 13-37-46;
- 25       (8)   "Student with severe disability," is a student with a low-incidence disability who:

- 1 (a) Meets eligibility criteria under Part B, IDEA;
- 2 (b) Has been identified as a student in need of special education or special
- 3 education and related services according to criteria set forth in rules
- 4 promulgated pursuant to § 13-37-46; and
- 5 (c) Presents needs which require intervention skills which are substantially
- 6 different from those provided to nondisabled students, in that the skills are
- 7 disability-specific and require special training, equipment, and facilities to
- 8 perform;
- 9 (9) "Effort factor," the school district's special education tax levy in dollars per thousand
- 10 divided by ~~\$1.40~~ the maximum levy established pursuant to § 13-37-16.

11 Section 2. That subdivision (3) of section 1 of chapter 108 of the 1996 Session Laws

12 be amended to read as follows:

- 13 (3) "Local effort," is the amount of taxes payable each year, using the maximum levy for
- 14 the special education fund of a school district ~~of one dollar and forty cents per~~
- 15 ~~thousand dollars of taxable valuation. The levy shall be based on valuations such that~~
- 16 ~~the median level of assessment represents 85% of market value as determined by the~~
- 17 ~~Department of Revenue. For the period January 1, 1997, through June 30, 1997, local~~
- 18 ~~effort shall be one-half of the amount of taxes payable in calendar year 1997, using the~~
- 19 ~~maximum levy for the special education fund of a school district of one dollar and~~
- 20 ~~forty cents per thousand dollars of taxable valuation. The levy shall be based on~~
- 21 ~~valuations such that the median level of assessment represents 85% of market value~~
- 22 ~~as determined by the Department of Revenue pursuant to § 13-37-16;~~

23

24 Section 3. That chapter 13-37 be amended by adding thereto a NEW SECTION to read as

25 follows:

1        If local effort increases on a statewide aggregate basis by a greater percentage than local  
2        need on a statewide aggregate basis from any one year to the next, for the following year, the  
3        levy specified in § 13-37-16 shall be reduced proportionally so that the percentage increase in  
4        local effort on a statewide aggregate basis equals the percentage increase in need on a statewide  
5        aggregate basis.

1    **BILL HISTORY**

2    1/20/98 First read in House and referred to Education. H.J. 122

3    2/10/98 Scheduled for Committee hearing on this date.

4    2/10/98 Education Do Pass Amended, Passed, AYES 10, NAYS 0. H.J. 538